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September 28, 2006

MICHAEL B. DONALD PARTNER (318) 934-4006 MDONALD@LEMLE.COM

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-4275

RE:

APPLICATION FOR PUBLIC HEARING.

Giambelluca Trust No. 1, Serial No. 234011

Lower Wilcox Zone, Reservoir A

Moncrief Field (6820), Section 28, Township 2 South, Range 6 East

Avoyelles Parish, Louisiana

Dear Sir:

We are writing on behalf of the applicant, Sklar Exploration Company, L.L.C. ("Sklar"), to respectfully apply to the Office of Conservation for the calling of a public hearing to consider evidence relative to the issuance of an order pertaining to the following matters relative to unitization of the Lower Wilcox Zone, Reservoir A in Moncrief Field, Avoyelles Parish, Louisiana:

- 1. To establish two drilling and production units for the Lower Wilcox Zone in the Moncrief Field, Avoyelles and St. Landry Parishes, Louisiana, to be designated L WX RA SUA and L WX RA SUB as shown outlined on the plat attached hereto and made a part hereof.
- 2. To establish rules and regulations for the drilling and production of oil and gas from said units.
- 3. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.

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- 4. To designate Sklar as unit operator of L WX RA SUA and L WX RA SUB and the Sklar Giambelluca Trust No.1 as the unit well for the L WX RA SUA.
- 5. To provide that the Commissioner may reclassify the reservoir by supplemental order without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished to the Commissioner.
- 6. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

Sklar proposes that the Lower Wilcox Zone, Reservoir A in Moncrief Field, Avoyelles Parish, Louisiana be defined as:

that oil and gas bearing sand encountered between the measured depths of 11455 feet and 12500 feet in the Westland Oil Development Corp. Well (SN 147479), located in Section 28, Township 2 South, Range 6 East, Avoyelles Parish, Louisiana.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Remy Williams of W.H. Robbins and Associates, LLC, 302 La Rue France, Suite 100, Lafayette, La 70508 (337) 232-5004.

By letter dated September 11, 2006, Sklar gave pre-application notice of its intention to apply for a public hearing concerning the matters outlined above. While notice of a desire to confer was received, the questions were answered without the necessity of a conference. Accordingly, the pre-application conference scheduled for 10:00 a.m. on Tuesday October 3, 2006, will not be held.

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of interested parties, interested owners, and represented parties who are being furnished a copy of this application. Pursuant to the revised rules of procedure, the unit plat and the list of interested parties, interested owners, and represented parties are only being provided to the Commissioner of Conservation and the District Manager of the Lafayette District Office. However, the unit plat and list of parties will be made available to any party upon request. A diligent and reasonable effort was made to ascertain the correct names and addresses of all interested parties, interested owners, and represented parties as required by law.

Pursuant to the revised rules of procedure, Sklar will provide for a posting of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area

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affected and will cause publication of the Legal Notice in a newspaper published in the general area of Moncrief Field. Further, Sklar will mail a copy of the Legal Notice to all interested parties, interested owners, and represented parties upon receipt of the Legal notice from the Commissioner of Conservation.

Enclosed with this application, please find our check for the application fee, payable to the Office of Conservation.

If you have any questions, please do not hesitate to call.

Sincerely,

LEMLE & KELLEHER, L.L.P.

By: Michael B. Donald JAR

Michael B. Donald

JAR

cc:

Enclosures

Mr. Richard Hudson, District Manager (With plat and list)

Mr. Scott Angelle, Secretary, State Mineral Board

Interested Parties, Interested Owners, and Represented Parties

